

NYE-DT 58

Markets; Exclusive
Tuesday's Energy Stocks: S&P 500 records new closing high

Selene Balasta
674 words
24 April 2019
SNL Energy Finance Daily
ENFD
Issue: 105116
English

Copyright © 2019 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

The S&P 500 hit a new record close on Tuesday, April 23, propelled by higher-than-expected earnings from major industrial and consumer firms. The S&P 500 ended 0.88% higher at 2,933.68, compared to its previous record close of 2,930.75. The Dow Jones Industrial Average gained 0.55% to finish at 26,656.39.

Meanwhile, utilities outpaced other companies in the energy sector.

Among coal shares, Arch Coal Inc. spiked 9.09% in brisk trading to end at \$99.96, after reporting net income of \$72.7 million, or \$3.91 per share in the first quarter. The results beat the S&P Global Market Intelligence consensus GAAP earnings estimate of \$2.37 per share. Arch CEO John Eaves said the rest of 2019 is expected to bring more strong free cash generation.

In the oil and gas sector, Murphy Oil Corp. climbed 1.82% on strong volume to finish at \$29.16, after its subsidiary agreed to acquire deepwater Gulf of Mexico assets for \$1.38 billion, plus additional consideration payments of up to \$250 million. The Gulf of Mexico assets currently produce approximately 38,000 net barrels of oil equivalent per day and are expected to add approximately 66 million boe net of proven reserves and 122 million boe of proven and probable reserves.

Northern Oil and Gas Inc. rose 6.23% in robust trading to end at \$2.90, following its announced purchase of assets including 86.9 net producing wells, 2.7 net wells in process and 47.5 net undrilled locations across about 18,000 acres in the core of the Williston Basin. The company will acquire the assets through a combination of cash, notes and common stock.

Shares of Apache Corp. slid 1.78% on above-average volume to \$36.43, after the company declared that it initiated gas volume production deferrals from its Alpine High play in late March, with current deferrals at 250 MMcf/d of production. The company blamed the need for the deferrals on "extremely low prices" at the Waha Hub.

Range Resources Corp. fell 1.53%, on more than twice the average volume, to settle at \$9.68. The company reported \$90.7 million, or 36 cents per share, in adjusted net income for the first quarter, surpassing the S&P Global Market Intelligence consensus normalized earnings estimate of 25 cents per share.

Occidental Petroleum Corp. was down 1.09% in active trading to close at \$62.36. Mizuho downgraded the company to neutral, citing its rumored attempt to buy Anadarko Petroleum Corp., which instead decided to merge with Chevron Corp.

Anadarko shed 0.11% to close at \$63.99, while Chevron inched up 0.10% to finish at \$122.02, both on strong volume.

The S&P 500 Energy Sector eked out a 0.04% increase to 507.26, while the Alerian MLP Index retreated 0.42% to 255.36.

Among diversified and electric utilities, NextEra Energy Inc. trickled 0.31% lower to \$189.79 on slightly

higher volume, while NextEra Energy Partners fell 1.62% to \$46.17 in active trading.

NextEra Energy posted first-quarter adjusted earnings of \$1.06 billion, or \$2.20 per share, topping the S&P Global Market Intelligence consensus normalized EPS estimate of \$2.04 by 16 cents.

Meanwhile, NextEra Energy Partners posted adjusted EBITDA of \$225 million for the first quarter of 2019, well below the S&P Global Market Intelligence consensus EBITDA estimate for the quarter of \$270.6 million.

PG&E Corp. shares added 0.61% on light volume to close at \$21.53, after the company reached an agreement with shareholder BlueMountain Capital Management LLC to expand the California utility's board and appoint Frederick Buckman as a director.

The S&P 500 Utilities Sector rose 0.37% to 291.39.

Market prices and index values are current as of the time of publication and are subject to change.

Document ENFD000020190425ef4o0000]